

Read instructions on page 2 before completing form

FIS 0323 (11/06) Office of Financial & Insurance Services

Data Collection for 3515(3) Report

Filing is required for:
All HMOs reporting commercial group
business

2007

DUE
November 15, 2007

Name of HMO

NAIC Group number and Co. code

Reporting Change in Commercial Employer Groups and Enrollees

1. Total number as of December 31, 2005 →

A
Commercial Employer
Groups

B
Commercial
Enrollees

C Do the numbers in
column B agree with those
reported in the HMO's :

2005 Annual Statement
☐ Yes ☐ No

2. Total number as of September 30, 2007 →

2007 Q3 Statement
☐ Yes ☐ No

3. Increases in the number of employers and employees between
December 31, 2005 and September 30, 2007 that resulted from
greater flexibility in the annual co-payment and coinsurance levels

*If you answered "No" to either
question above, attach an
explanation of the difference.*

4. Indicate by amount for each
type, where the new commercial
employer groups listed in 3A had
previous health care coverage:

*Describe each insurer type for any
entries under "Other."*

Nonprofit Health Care Corp.

Uninsured

Traditional Insurers

Other: _____

PPOs

Other: _____

Self-Insured

Total

Marketing Information

5. Attach a listing of new products (certificate of coverage or riders) where annual co-payment and coinsurance levels increased since December 21, 2005, and the effective date of each product.

6. Attach a narrative describing how the HMO marketed its new products with increased annual co-payment and coinsurance levels to commercial employer groups.

7. Attach a narrative describing the process used to track any increase in the number of commercial employer groups and enrollees that resulted from new products with increased annual co-payment and coinsurance levels.

Certification

I certify that I am an officer of the HMO named in this report, and that I have authority to prepare and file this report.

I have examined this report thoroughly, and it is true, complete and correct to the best of my knowledge and belief.

Signature

Date signed

Person and phone number to contact regarding this report

Signer's name and title typed or printed



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Instructions for FIS 0323

This is a new form for 2007. Public Act 306 of 2005 created a new reporting requirement for the Commissioner. MCL 500.3515(3) now requires the Commissioner to prepare and submit a report that makes a determination whether greater flexibility in co-payment and coinsurance levels, as permitted in the Act, resulted in an increase in the number of employers who contract for health maintenance organization services, and the number of employees (covered enrollees) receiving those services. The report is an annual requirement. Next year the form will be modified to reflect ongoing reporting requirements.

Prior to Public Act 306, MCL 500.3515(2) limited co-payment levels to nominal amounts. The general guidance followed by OFIS for determining whether the levels were nominal resulted in annual co-payment and coinsurance levels of \$3,000 for individuals and \$6,000 for families. This information is provided solely to give HMOs a baseline range to consider when completing this form.

Reporting Change in Commercial Employer Groups and Enrollees

Line 1: Number of commercial employer groups and enrollees as of December 31, 2005 will be used as a baseline since Public Act 306 of 2005 was effective December 21, 2005.

Table column C: If the number of enrollees agrees with the amount reported in the 2005 annual statement and 2007 3rd quarter statement in the Exhibit of Premiums, Enrollment and Utilization, column 3, line 5, check the "Yes" checkbox. If the number of enrollees is different check the "No" checkbox. Attach an explanation of the difference between the numbers reported on this form and the numbers reported on the corresponding statement.

Line 3: Do not include new commercial employer groups or commercial enrollees joining the HMO coming from another HMO.

Line 4: Report the number for each the categories listed. The total of the categories should equal the number of new employer groups reported in table cell 3A. Nonprofit Health Care Corporations would include Blue Cross Blue Shield Plans.

Marketing Information

Line 5: A separate attachment is required that provides a listing of products having annual co-payments and coinsurance exceeding the previous general guidance level of \$3,000 for individuals and \$6,000 for families. The attachment should include the following information:

- Type of product (certificate of coverage or rider)
- OFIS filing number and product name (need identifier to confirm with OFIS files)
- Effective date of the product
- Indicate if the product has been sold to any employer

Lines 6 and 7: The narrative descriptions should be of sufficient detail to allow OFIS to understand fully how the product(s) were marketed to employers, and if the products were marketed differently than products previously sold. OFIS also needs to understand the process the company used to track results, and ensure the proper reporting of the increases in commercial employer groups and enrollees.

Additional Information

In addition, the company may want to provide a separate attachment with suggestions to increase the number of commercial employer groups purchasing health care coverage from health maintenance organizations. This information will be considered, and may be included in the Commissioner's report.